

TARIFF ACTION MEMORANDUM

File No.: TA42-733

Date: April 1, 2021

Date Filed: February 22, 2021

Statutory End Date: April 8, 2021

Utility: Cook Inlet Natural Gas Storage Alaska, LLC

Description: Housekeeping Changes to Correct Typographical and Reproduction Errors

Synopsis:

Cook Inlet Natural Gas Storage Association, LLC submits a tariff revision to correct typographical and reproduction errors to Tariff Sheet Nos. 34, 47, and 83.

Tariff Recommendation:

The Commission should approve Tariff Sheet Nos. 34, 47, and 83, filed February 22, 2021, by Cook Inlet Natural Gas Storage Alaska, LLC with TA42-733, as shown on the attached side-by-side tariff sheets (Appendix-1). The effective date of the tariff sheets should be April 8, 2021.

Reason(s) for the above-indicated recommendation: See attached memorandum.

Signed: Keiba Kimp
Keiba Kimp

Title: Utility Tariff Analyst

Commission decision regarding this recommendation:

	<u>Date (if different from 4/1/2021)</u>	<u>I CONCUR</u>	<u>I DO NOT CONCUR</u>	<u>I WILL WRITE A DISSENTING STATEMENT*</u>
Pickett	_____	<u>RMP</u>	_____	_____
Kurber	_____	<u>KKI</u>	_____	_____
Scott	_____	<u>AGS</u> AGS	_____	_____
Sullivan	_____	<u>DS</u> DS	_____	_____
Wilson	_____	<u>JWW</u> JWW	_____	_____

* If this column is initialed, Staff will contact the Commissioner for the statement; otherwise, the dissent will simply be noted at the close of the By Direction letter or order.

STATE OF ALASKA
The Regulatory Commission of Alaska
701 West 8th Ave., Suite 300
Anchorage, Alaska 99501-3469

M E M O R A N D U M

To: Robert M. Pickett, Chairman
Keith Kurber II
Antony Scott
Daniel A. Sullivan
Janis W. Wilson

Date: April 1, 2021

From: Keiba Kimp, Utility Tariff Analyst

Subject: Cook Inlet Natural Gas Storage Alaska, LLC
Housekeeping Changes to Correct Typographical and Reproduction Errors

STATEMENT OF CASE

Cook Inlet Natural Gas Storage Alaska, LLC (CINGSA) submits a tariff revision to correct typographical and reproduction errors on Tariff Sheet Nos. 34, 47, and 83.

RECOMMENDATION

The Commission should approve Tariff Sheet Nos. 34, 47, and 83, filed February 22, 2021, by CINGSA with TA42-733, as shown on the attached side-by-side tariff sheets (Appendix 1). The effective date of the tariff sheets should be April 8, 2021.

BACKGROUND

CINGSA is Cook Inlet's only commercial natural gas storage facility. CINGSA provides both firm and interruptible gas storage service to public utilities, gas producers, and pipeline operators. CINGSA is operated by its affiliate, ENSTAR Natural Gas Company, who also is a CINGSA customer.

On August 16, 2019, the Commission issued Order No. U-18-043(15), resolving CINGSA's revenue required and cost-of-service issues and requiring filings. In that order, the Commission required CINGSA to file revised tariff sheets, including Tariff Sheet No. 83, to reflect that 100% of interruptible storage service revenue would be returned to firm storage service customers. On October 31, 2019, the Commission issued Order No. U-18-043(19), approving the tariff sheets filed in compliance with Order No. U-18-043(15).

On May 10, 2019, the Commission issued Order No. U-19-025(1), opening an investigation into nonrevenue requirement elements of CINGSA's tariff. On August 5, 2020, the Commission issued Order U-19-025(19) accepting two stipulations incorporating changes to 49 CINGSA tariff sheets.¹ On August 17, 2020, the Commission issued Order No. U-19-025(20), approving the tariff sheets filed with the stipulations, including Tariff Sheet Nos. 34 and 47.

¹ See Order No. U-19-025(19), at page 3.

CINGSA now submits TA42-733 to make ministerial changes to Tariff Sheet Nos. 34, 47, and 83. The Commission issued a public notice for TA42-733 on February 24, 2021, with comments requested by March 26, 2021. No comments were received.

ANALYSIS

Housekeeping Revisions

With TA42-733, CINGSA proposes to correct typographical and reproduction errors on Tariff Sheet Nos. 34, 47, and 83. Upon examination of the tariff sheets, CINGSA states that it discovered typographical errors on three of its approved tariff sheets.² CINGSA proposes to remove a duplicate word “the” in Section 13.3 on Tariff Sheet No. 34.³ CINGSA also proposes to remove Sections 18.4 and 18.5 on Tariff Sheet No. 47, which were moved to Tariff Sheet No. 48 in Docket No. U-19-025.⁴ Finally, CINGSA proposes to correct “50% of certain Non-Firm revenues” to “100% of certain Non-Firm revenues” in Section 37.2 to reflect the Commission approved provision from Order No. U-18-043(19).⁵ In response to Staff, CINGSA states that it had not received any written or verbal comments or questions from any of the parties that agreed to the stipulations included in the U-19-025 docket.⁶

3 AAC 48.320(e) provides that errors occurring in an effective tariff that result solely from a typographic or reproduction mistake must, upon discovery, be corrected immediately by the utility by filing revised tariff sheets. Staff reviewed Order U-18-043(15) and notes that CINGSA was required to revise Tariff Sheet No. 83 to reflect that 100% of interruptible storage service revenue would be returned to firm storage service customers as a credit to their bills.⁷ Staff notes that the Tariff Sheet No. 83 approved with Order No. U-18-043(19) reflected the approved amount; however, the revision approved in U-19-025(20) was incorrect. Staff reviewed the proposed revisions to Tariff Sheet Nos. 37 and 47 and confirmed that only duplicative text and provisions have been removed. Staff believes that the revision to Tariff Sheet No. 83 is consistent with the Order No. U-18-043(19).⁸ Staff also believes that CINGSA has complied with 3 AAC 48.320(e) by filing TA42-733 to correct the tariff sheets after the errors were discovered. Therefore, Staff recommends the Commission approve Tariff Sheet Nos. 34, 47, and 83.

CONCLUSION

With TA42-733, CINGSA proposes tariff revisions to correct typographical and reproduction errors to Tariff Sheet Nos. 34, 47, and 83. Staff has reviewed the proposed tariff sheet corrections and believes the tariff sheets are correct.

² See tariff advice letter for TA42-733, at page 1.

³ See side-by-side Tariff Sheet No. 34, attached as Appendix 1.

⁴ See side-by-side Tariff Sheet No. 47, attached as Appendix 1.

⁵ See side-by-side Tariff Sheet No. 83, attached as Appendix 1.

⁶ See TR2101727, filed March 23, 2021.

⁷ See Order U-18-043(15), at page 39, lines 12 and 13.

⁸ See tariff advice letter TA42-733, page 2 footnote 1.

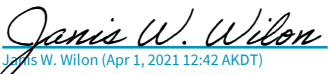
Therefore, Staff recommends the Commission approve Tariff Sheet Nos. 34, 47, and 83, filed February 22, 2021, by CINGSA with TA42-733. The effective date of the tariff sheets should be April 8, 2021.

Signature: 
Email: bob.pickett@alaska.gov

Signature: 
Keith Kurber II (Apr 1, 2021 10:02 AKDT)
Email: keith.kurber@alaska.gov

Signature: 
Antony Scott (Apr 1, 2021 11:07 AKDT)
Email: antony.scott@alaska.gov

Signature: 
Daniel Sullivan (Apr 1, 2021 11:20 AKDT)
Email: daniel.sullivan@alaska.gov

Signature: 
Janis W. Wilson (Apr 1, 2021 12:42 AKDT)
Email: janis.wilson@alaska.gov

RCA No. 733 **Second Revision** **Sheet No. 34**
Cancelling
First Revision **Sheet No. 34**

RECEIVED
January 31, 2020
STATE OF ALASKA
REGULATORY COMMISSION OF ALASKA

Cook Inlet Natural Gas Storage Alaska, LLC

SECTION 13	DELIVERY PRESSURE
13.1	For injections, Customer shall contract with Transporter(s) to require Transporter(s) to deliver Gas to Seller at Transporter(s)'s available pipeline pressure at the Point(s) of Injection/Withdrawal, but in no event at a pressure less than five hundred fifty (550) psig nor greater than eight hundred fifty (850) psig unless otherwise mutually agreed to by Seller, Customer and Transporter. Seller will not accept volumes for injection at the APC/ENSTAR Line Point of Injection/Withdrawal without its prior written approval. C
13.2	For withdrawals via the KBPL Point of Injection/Withdrawal, Seller shall redeliver Gas to Transporter for the account of Customer at a pressure sufficient to enter Transporters pipeline system at the KBPL Point of Injection/Withdrawal, but in no event at a pressure in excess of nine hundred seventy five (975) psig or less than six hundred (600) psig unless otherwise mutually agreed to by Seller, Customer and Transporter. C
13.3	For withdrawals via the APC/ENSTAR Point of Injection/Withdrawal, Seller shall redeliver Gas to Transporter for the account of Customer at a pressure sufficient to enter Transporter's pipeline system at the APC/ENSTAR Point of Injection/Withdrawal, but in no event at a pressure in excess of one thousand fifty (1,050) psig or less than six hundred (600) psig unless otherwise mutually agreed to by Seller, Customer and Transporter. N

Pursuant to U-19-025(20)

Effective: August 5, 2020

Issued By: Cook Inlet Natural Gas Storage Alaska, LLC

RCA No. 733 **Third Revision** **Sheet No. 34**
Cancelling
Second Revision **Sheet No. 34**



Cook Inlet Natural Gas Storage, Alaska, LLC

SECTION 13	DELIVERY PRESSURE
13.1	For injections, Customer shall contract with Transporter(s) to require Transporter(s) to deliver Gas to Seller at Transporter(s)'s available pipeline pressure at the Point(s) of Injection/Withdrawal, but in no event at a pressure less than five hundred fifty (550) psig nor greater than eight hundred fifty (850) psig unless otherwise mutually agreed to by Seller, Customer and Transporter. Seller will not accept volumes for injection at the APC/ENSTAR Line Point of Injection/Withdrawal without its prior written approval. C
13.2	For withdrawals via the KBPL Point of Injection/Withdrawal, Seller shall redeliver Gas to Transporter for the account of Customer at a pressure sufficient to enter Transporters pipeline system at the KBPL Point of Injection/Withdrawal, but in no event at a pressure in excess of nine hundred seventy five (975) psig or less than six hundred (600) psig unless otherwise mutually agreed to by Seller, Customer and Transporter. C
13.3	For withdrawals via the APC/ENSTAR Point of Injection/Withdrawal, Seller shall redeliver Gas to Transporter for the account of Customer at a pressure sufficient to enter Transporter's pipeline system at the APC/ENSTAR Point of Injection/Withdrawal, but in no event at a pressure in excess of one thousand fifty (1,050) psig or less than six hundred (600) psig unless otherwise mutually agreed to by Seller, Customer and Transporter. T

Effective: _____

Issued By: Cook Inlet Natural Gas Storage, Alaska, LLC

RCA No. 733 **Second Revision** Sheet No. 47
Cancelling
First Revision Sheet No. 47

RECEIVED
April 13, 2020
STATE OF ALASKA
REGULATORY COMMISSION OF ALASKA

Cook Inlet Natural Gas Storage, Alaska, LLC

- 18.3 Scheduling of Storage and Allocation of Service: For each Day, Seller will schedule injections and withdrawals of Gas, on the basis of: Storage nominations made by Customers (which Seller is hereby authorized to rely upon in its scheduling); Storage capacity available on Seller's system in light of nominations and requests; and overall operating conditions from time to time. If, on any Day, Seller determines that the capacity of its system is insufficient to serve all Storage nominations scheduled for such Day, or to accept the quantities of Gas tendered, capacity shall be allocated to provide service in the following order:
- a) In scheduling FSS nominations on any Day when capacity is constrained, Seller shall allocate service on a pro rata basis based upon each Customer's contracted CIQ or CWQ volumes compared to the total contracted daily injection or withdrawal volumes of all Customers nominating volumes on such Day.
 - b) In scheduling nominated quantities for FSS Overrun Storage Service or ISS hereunder; after providing for FSS service, and to the extent there is remaining capacity, Seller shall allocate service ratably. A Customer's share of remaining capacity is calculated as a Customers' good faith nominations for FSS Overrun Storage Service and ISS divided by the total good faith nominations for FSS Overrun Storage Service and ISS.
 - c) In scheduling nominated quantities for FSS Excess Storage Service or ISS hereunder; after providing for FSS service, and to the extent there is remaining capacity, Seller shall allocate service ratably. A Customer's share of remaining capacity is calculated as Customer's good faith nominations for FSS Excess Storage Service and ISS divided by the total good faith nominations for FSS Excess Storage Service and ISS. **N
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- 18.4 Delivery of Gas: Seller, subject to the other provisions hereof, shall make daily delivery, to the extent practicable, of Equivalent Quantities of Gas at the Point of Injection/Withdrawal.
- 18.5 Hourly Variation: Injections and Withdrawals shall be made at uniform rates to the extent practicable.

Pursuant to U-19-025(20)

Effective: August 5, 2020

Issued By: Cook Inlet Natural Gas Storage, Alaska, LLC

RCA No. 733 **Third Revision** Sheet No. 47
Cancelling
Second Revision Sheet No. 47



Cook Inlet Natural Gas Storage, Alaska, LLC

- 18.3 Scheduling of Storage and Allocation of Service: For each Day, Seller will schedule injections and withdrawals of Gas, on the basis of: Storage nominations made by Customers (which Seller is hereby authorized to rely upon in its scheduling); Storage capacity available on Seller's system in light of nominations and requests; and overall operating conditions from time to time. If, on any Day, Seller determines that the capacity of its system is insufficient to serve all Storage nominations scheduled for such Day, or to accept the quantities of Gas tendered, capacity shall be allocated to provide service in the following order:
- a) In scheduling FSS nominations on any Day when capacity is constrained, Seller shall allocate service on a pro rata basis based upon each Customer's contracted CIQ or CWQ volumes compared to the total contracted daily injection or withdrawal volumes of all Customers nominating volumes on such Day.
 - b) In scheduling nominated quantities for FSS Overrun Storage Service or ISS hereunder; after providing for FSS service, and to the extent there is remaining capacity, Seller shall allocate service ratably. A Customer's share of remaining capacity is calculated as a Customers' good faith nominations for FSS Overrun Storage Service and ISS divided by the total good faith nominations for FSS Overrun Storage Service and ISS.
 - c) In scheduling nominated quantities for FSS Excess Storage Service or ISS hereunder; after providing for FSS service, and to the extent there is remaining capacity, Seller shall allocate service ratably. A Customer's share of remaining capacity is calculated as a Customers' good faith nominations for FSS Excess Storage Service and ISS divided by the total good faith nominations for FSS Excess Storage Service and ISS.

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D – Deleted duplicate Sections 18.4 and 18.5.

Effective: _____

Issued By: Cook Inlet Natural Gas Storage, Alaska, LLC

RCA No. 733

**First Revision
Cancelling
Original**

Sheet No. 83

Sheet No. 83

RECEIVED
January 31, 2020
STATE OF ALASKA
REGULATORY COMMISSION OF ALASKA

RCA No. 733

**Second Revision
Cancelling
First Revision**

Sheet No. 83

Sheet No. 83



Cook Inlet Natural Gas Storage Alaska, LLC

SECTION 37 CREDITING OF NON-FIRM REVENUES TO FSS CUSTOMERS

- 37.1 This Section 37 will become applicable following the final approval of permanent rates in Company's general rate case that is to be filed by April 30, 2018 pursuant to Order U-10-051(13).
- 37.2 The Company will share 50% of certain Non-Firm revenues collected with its FSS Customers on a monthly basis.
- a) The FSS revenues eligible to be shared will be revenues charged under the "Overrun Storage Service Rate" and the "Excess Storage Service Charge" set out in Section 35.1 of this Tariff. The ISS revenues eligible to be shared will be revenues charged under the "ISS Rate" and the "ISS Injection/Withdrawal Commodity Rate" set out in Section 35.2 of this Tariff and any related interest charged on unpaid balances. This will begin with the revenues billed in the first month following the effective date of this Section 37 ("Eligible Non-Firm Revenue").
- b) Related Regulatory Cost Charges, and sales taxes will not be shared.
- c) Only Eligible Non-Firm Revenue that has been collected from Customers will be shared.
- 37.3 At the beginning of each month, prior to the billing of its FSS Customers, the Company will identify the amount of Eligible Non-Firm Revenue that was collected in the previous Month (if any).
- a) The collected Eligible Non-Firm Revenues will then be multiplied by 0.5 (50%) to determine the amount to be shared with the FSS Customers ("Shared Amount").
- b) The Shared Amount for the Month will be allocated to the FSS Customers based upon the ratio of each FSS Customer's contracted Maximum Storage Quantity ("MSQ") to the total of all FSS Customers' contracted MSQs in effect for the Month that the Eligible Non-Firm Revenues were collected. The contracted MSQs are set out in the Appendix A to each FSS Agreement.

Pursuant to U-19-025(20)

Effective: August 5, 2020

Issued By: Cook Inlet Natural Gas Storage Alaska, LLC

Cook Inlet Natural Gas Storage Alaska, LLC

SECTION 37 CREDITING OF NON-FIRM REVENUES TO FSS CUSTOMERS

- 37.1 This Section 37 will become applicable following the final approval of permanent rates in Company's general rate case that is to be filed by April 30, 2018 pursuant to Order U-10-051(13).
- 37.2 The Company will share 100% of certain Non-Firm revenues collected with its FSS Customers on a monthly basis.
- a) The FSS revenues eligible to be shared will be revenues charged under the "Overrun Storage Service Rate" and the "Excess Storage Service Charge" set out in Section 35.1 of this Tariff. The ISS revenues eligible to be shared will be revenues charged under the "ISS Rate" and the "ISS Injection/Withdrawal Commodity Rate" set out in Section 35.2 of this Tariff and any related interest charged on unpaid balances. This will begin with the revenues billed in the first month following the effective date of this Section 37 ("Eligible Non-Firm Revenue").
- b) Related Regulatory Cost Charges, and sales taxes will not be shared.
- c) Only Eligible Non-Firm Revenue that has been collected from Customers will be shared.
- 37.3 At the beginning of each month, prior to the billing of its FSS Customers, the Company will identify the amount of Eligible Non-Firm Revenue that was collected in the previous Month (if any).
- a) The collected Eligible Non-Firm Revenues will then be multiplied by 0.5 (50%) to determine the amount to be shared with the FSS Customers ("Shared Amount").
- b) The Shared Amount for the Month will be allocated to the FSS Customers based upon the ratio of each FSS Customer's contracted Maximum Storage Quantity ("MSQ") to the total of all FSS Customers' contracted MSQs in effect for the Month that the Eligible Non-Firm Revenues were collected. The contracted MSQs are set out in the Appendix A to each FSS Agreement.

Effective:

Issued By: Cook Inlet Natural Gas Storage Alaska, LLC